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Leadership did not take note of the downward trend in July production, nor were any steps taken to remedy the situation; as a result, there was no improvement in August. Failure to meet the quotas during these two successive months make it extremely difficult to complete the third-period quotas, not to mention the quotas for the whole year. For these reasons, factory and mine cadres in positions of leadership should examine the situation without delay, study means to rectify matters, and set up various systems of responsibility to guarantee completion of the quotas.

The inability to meet July and August production quotas also suggests scrutiny of our systems of responsibility, which are far out of line. The inspection system, in particular, has never been thoroughly understood or applied. From now on, inspections should be made daily and weekly, so that the problems which arise may be solved promptly. A strict system of rewards and penalties must also be established before we can complete the industrial production quotas which the nation has set for us.

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- 2 -

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